

**COST-SHARING AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)
AND ALPHA KAPPA SORORITY INC**

WHEREAS the Donor has informed UNDP of its willingness to contribute funds (hereinafter referred to as "the contribution") to UNDP on a cost-sharing basis towards implementation of the programme/project,¹

WHEREAS UNDP is prepared to receive and administer the contribution for the execution/implementation of the programme/project,

WHEREAS the Government of The Republic of Liberia has been duly informed of the contribution of the Donor to the programme/project,

WHEREAS UNDP shall designate an Executing Entity/ Implementing Partner² for the execution/implementation of the programme/project (hereinafter referred to as "the Executing Agency/Implementing Partner"),

NOW THEREFORE, UNDP and the Donor hereby agree as follows:

Article I. The Contribution

1. (a) The Donor shall, in accordance with the schedule of payments set out below, contribute to UNDP the total amount of FIVE HUNDRED THOUSAND UNITED STATES DOLLARS (USD500,000.00). The contribution shall be deposited in : JPMorgan Chase, 1166 Avenue of the Americas, 16th Floor, New York, NY 10036, SWIFT: CHASUS33 ACCOUNT TITLE: UNDP Contributions Account, ACCOUNT NO.: 015-002284.

<u>Schedule of payments</u> ³	<u>Amount</u>
June 30 th 2010	US\$250,000
December 30 th 2010	US\$250,000

(b) The Donor will inform UNDP when the contribution is paid via an e-mail message with remittance information to contributions@undp.org

2. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the execution/implementation of planned activities. It may be amended to be consistent with the progress of programme/project delivery.

3. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.
4. All financial accounts and statements shall be expressed in United States dollars.
5. Notwithstanding anything in this Cost Sharing Agreement ("Agreement") to the contrary, the \$500,000 contribution shall be used exclusively in connection with the Omega Market Project ("Market") to be located on the land set forth on Annex I attached to this document, such Market to be built in accordance with the Plans and Specifications (the "Plans") attached to this Agreement as Annex II and in accordance with the project budget ("Project Budget") attached to this Agreement as Annex III. The UNDP acknowledges and agrees that the Clinic, including furniture, shall be the last part of the Project to be constructed. Prior to any construction work on the Clinic, the remainder of the Project, including the market with 256 stalls must have been completed in accordance with the Plans and inspected and approved by the Executing Agency/Implementing Partner (and the Donor, if the Donor determines in its sole discretion that such inspection by it is desirable and further provided any inspection by the Donor shall occur as soon as reasonably practicable once Donor has been notified the Project excluding the Clinic is complete.) The Project Budget includes an estimated cost of \$54,763 for the Clinic. The \$54,763 will be placed in the Project Reserve and not released without the authorization of Donor. UNDP hereby guarantees that it shall cause to be completed the construction of the Project in conformity in all material respects with the Plans and the Project Budget.

Article II. Utilization of the Contribution

1. The execution/implementation of the responsibilities of UNDP and of the Executing Entity/Implementing Partner pursuant to this Agreement and the programme/project document shall be dependent on receipt by UNDP of the contribution in accordance with the schedule of payment as set out in Article I, paragraph 1, above.
2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the Donor on a timely basis a supplementary estimate showing the further financing that will be necessary. The Donor is entitled to use its best endeavors to obtain the additional funds required. Notwithstanding anything in this Agreement to the contrary, after the Donor has provided its \$500,000 contribution pursuant to this Agreement, it shall have no further obligation to provide additional funds for any reason including should insufficient funds remain to complete the Project.
3. If the payments referred to in Article I, paragraph 1, above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 2 above is not forthcoming from the Donor or other sources, the assistance to be provided to the programme/project under this Agreement may be reduced, suspended or terminated by UNDP.

4. Any interest income attributable to the contribution shall be credited to UNDP Account.
5. After consultation with the UNDP, Donor may withhold the contribution or portions thereof in case of substantial deviation from the agreed Plans or Project Budget or failure of the UNDP to provide the reports as agreed in Article III.

Article III. Administration and reporting

1. Programme/project management and expenditures shall be governed by the regulations, rules and directives of UNDP and, where applicable, the regulations, rules and directives of the Executing Entity/Implementing Partner.
2. UNDP headquarters and country office shall provide to the Donor all or parts of the following reports prepared in accordance with UNDP accounting and reporting procedures.
 - 2.1 For Agreements of one year or less:
 - (a) From the country office, (i) a progress report December 31st 2010 (video inclusive) prior to the disbursement of the second contribution; (ii) a second progress report upon completion of the Market or June 30th, 2011 whichever occurs first and (iii) within six months after the date of completion or termination of the Agreement, a final report summarizing programme/project activities and impact of activities as well as provisional financial data. Each report shall include several slides, photographs or high quality digital images showing the current condition of the Market;
 - (b) From UNDP Bureau of Management/ Office of Finance and Administration, an annual certified financial statement as of 31 December 2010 to be submitted no later than 30 June 2011 of the following year;
 - (c) From UNDP Bureau of Management/Office of Finance and Administration on completion of the programme/project, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the project.
3. If special circumstances so warrant, UNDP may provide more frequent reporting at the expense of the Donor. The specific nature and frequency of this reporting shall be specified in an annex of the Agreement.
4. Donor, at its own expense, may conduct such periodic onsite inspections of the Market's construction as it deems necessary.

Article IV. Administrative and support services

1. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services. To cover these GMS costs, the contribution shall be charged a fee equal to 7%. Furthermore, as long as they are unequivocally linked to the specific project(s), all direct costs of implementation, including the costs of executing entity or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.
2. The aggregate of the amounts budgeted for the programme/project, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the programme/project under this Agreement as well as funds which may be available to the programme/project for programme/project costs and for support costs under other sources of financing.

Article V. Evaluation

All UNDP programmes and projects are evaluated in accordance with UNDP Evaluation Policy. UNDP and the Government of Liberia in consultation with other stakeholders will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a project including an evaluation of its contribution to an outcome which is listed in the Evaluation Plan. UNDP shall commission the evaluation, and the evaluation exercise shall be carried out by external independent evaluators.

Article VI. Equipment

Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Article VII. Auditing

The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP. Should a biennial Audit Report of the Board of Auditors of UNDP to its governing body contain observations relevant to the contributions, such information shall be made available to the Donor.

Article VIII. Advertisement of the contribution

1. The Donor shall not use the UNDP name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of UNDP in each case. In no event will authorization be granted for commercial purposes, or for use in any

manner that suggests an endorsement by UNDP of Donor, its products or services. UNDP shall not use Donor's name, emblem or trademarks thereof in connection with its business or otherwise without the express prior written approval of Donor.

2. The Donor acknowledges that it is familiar with UNDP's ideals and objectives and recognizes that its name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation and neutrality of UNDP.

3. The Donor may make representations to its shareholders and internal budget officials as required about the fact of the contribution to UNDP. Any other use of the UNDP name or emblem, and any other form of recognition or acknowledgement of the contribution of the Donor are subject to consultations between the Parties, and the prior written agreement of UNDP.

4. UNDP will report on the contribution to its Executive Board in accordance with its regular procedures regarding contributions from private donors. Other forms of recognition and acknowledgement of the contribution are subject to consultations between the Parties, but the manner of such recognition and acknowledgement shall be determined at the sole discretion of UNDP.

Article IX. Completion of the Agreement

1. UNDP shall notify the Donor when all activities relating to the programme/project have been completed.

2. Notwithstanding the completion of the programme/project, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the execution/implementation of the programme/project have been satisfied and programme/project activities brought to an orderly conclusion.

3. If the unutilized payments prove insufficient to meet such commitments and liabilities, UNDP shall notify the Donor and consult with the Donor on the manner in which such commitments and liabilities may be satisfied.

4. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with the Donor.

Article X. Termination of the Agreement

1. After consultations have taken place between the Donor, UNDP and the Government of Liberia; and provided that the payments already received are, together with other funds available to the programme/project, sufficient to meet all commitments and liabilities incurred in the execution/implementation of the programme/project, this Agreement may be terminated by UNDP or by the Donor. The Agreement shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate the Agreement.

2. Notwithstanding termination of this Agreement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in execution/implementation of all or part of the programme/project for which this Agreement has been terminated have been satisfied and programme/project activities brought to an orderly conclusion.
3. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with the Donor.

Article XI. Amendment of the Agreement

The Agreement may be amended through an exchange of letters between the Donor and UNDP. The letters exchanged to this effect shall become an integral part of the Agreement.

Article XI. Settlement of Disputes

1. The parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with UNCITRAL Conciliation Rules then obtaining, or according to such procedure as may be agreed between the parties.
2. Any dispute, controversy or claim between the Parties arising out of or relating to this agreement or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.
3. This Agreement and the attached Annex I, II, III and IV comprises the complete understanding of the Parties in respect of the subject matter and supercede all prior agreements relating to the same subject matter. Failure by either party to enforce a provision of this Agreement shall not constitute a waiver of that or any other provision of this Agreement. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

Article XIII- Privileges and Immunities

Nothing in this agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNDP.

Article XIV. Entry Into Force

This Agreement shall enter into force upon signature and deposit by the Donor of the first contribution-payment to be made in accordance with the schedule of payments set out in Article I, paragraph 1 of this Agreement and the signature of the project document by the concerned parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For the Donor:
Alpha Kappa Alpha Sorority

For the United Nations Development Programme:



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Barbara McKinzie
International President

.....
Dominic Sam
Country Director

Date: May __ 2010

Date: May __, 2010



ANNEX I

Market Location: WHEN TOWN, PAYNESVILLE CITY, MONTSERRADO, LIBERIA (4.13 acres)

See attached Development Grant from the Republic of Liberia to the Liberia Marketing Association probated August 27, 2009

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ANNEX II
Plans and Specifications

The Executing Agency/Implementing Partner shall ensure the Market is constructed and equipped in accordance with the attached plans and specifications.

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ANNEX IV
Miscellaneous

1. The officers responsible for coordination of all matters related to this Agreement are For Donor:

Alpha Kappa Alpha Sorority, Inc.
5656 South Stony Island Avenue
Chicago, IL 60637
Attention: Deborah Dangerfield, Executive Director
Telephone: 773-684-1282
Facsimile: 773-288-8251
Email: Dangerfield @aka1908.com

For UNDP:
John K. Walker
UNDP, Liberia
Simpson Building
Monrovia, Liberia
Phone: 2316 512948
Email: john.walker@undp.org

2 UNDP, Liberia will contract for, supervise and direct all aspects of the work required in order to complete the construction of the Market consistent with the Project Budget and the Plans. The Executing Agency/Implementing Partner will develop a construction schedule which provides for the construction of the Market to be complete by July 1, 2011.

